

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF SUPERVISORS COUNTY OF FAUQUIER WARRENTON, VIRGINIA

We have audited the accompanying basic financial statements and the combining fund financial statements of the County of Fauquier, Virginia (the "County") as of and for the year ended June 30, 2003, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards and specifications require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the County as of June 30, 2003, and the results of its operations, cash flows of its proprietary funds, and changes in its fiduciary net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the basic financial statements and the combining fund financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds of the County as of June 30, 2003, and the results of operations of such funds, cash flows of each of the proprietary funds, and changes in net assets of each of the fiduciary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2003 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

As described in Note 1 to the basic financial statements, the County adopted the provisions of Governmental Accounting Standards Board Statement No. 34, "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*," as of July 1, 2002. This results in a changes to the County's method of accounting and a change in the format and content of the basic financial statements.

Management's Discussion and Analysis and the Budgetary Comparison Schedules as identified in the accompanying table of contents are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining financial statements. The accompanying financial information listed as supporting schedules in the table of contents including the Schedule of Expenditures of Federal Awards, required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements of the County of Fauquier, Virginia. Such information has been subjected to the auditing procedures applied in the audit of the general purpose and combining financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

The Statistical Sections listed in the Table of Contents is not a required part of the basic financial statements, and we did no audit or apply limited procedures to such information. Accordingly, we do not express any assurances on such information.

Robinson, Farmer, Cox Accountants
Charlottesville, Virginia
September 12, 2003